



FOR IMMEDIATE RELEASE  
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## **MULTIPLE ARIZONANS CHARGED WITH FRAUD RELATED TO HURRICANE KATRINA DISASTER RELIEF PROGRAM**

PHOENIX – Arizonans from the Tucson and Phoenix metropolitan areas have been charged via federal indictments or state criminal complaints for fraud related to hurricane disaster relief programs. The unsealing of the indictments was announced jointly by U.S. Attorney Daniel G. Knauss and Maricopa County Attorney Andrew Thomas. All of the defendants received some type of federally funded assistance related to Hurricanes Rita or Katrina, even though they were all living and/or working in Arizona at the time of the disasters in 2005.

U.S. Attorney Daniel G. Knauss stated that “this type of fraud diverts funds desperately needed by those recovering from disasters. Not only is this stealing taxpayers’ money but also from the private donations to non-governmental agencies.”

“Fraud of this type should be prosecuted by all levels of government,” said County Attorney Andrew Thomas. “We are pleased to be part of a team of government agencies prosecuting these offenses. We will work to make sure those who steal from the Red Cross and the federal government are properly held accountable.”

Kenneth M. Donohue, Inspector General of the Department of Housing and Urban Development (HUD), stated, “Today represents an important point in the efforts to uncover those who fraudulently obtained disaster relief funds following the Gulf Coast hurricanes. The HUD OIG and the Department of Homeland Security OIG, based on a review of relief applicants history for residence and employment, as well as interviews, confirmed that these 16 individuals were living in Arizona when the hurricanes struck the Gulf Coast. Individuals filing fraudulent applications strain the system and take funds away from the true victims of the disaster. Today these individuals will be brought before a judge and will have to answer for their actions.”

### **Federal defendants:**

<b>Defendant</b>	<b>Age</b>	<b>Residency</b>	<b>Charges</b>	<b>Status</b>	<b>Max. Penalty</b>
Fleming, Charles Levought	54	Tucson	18:1001(a)(2) & (3) False, Fictitious and Fraudulent Statements, Representations, Writings and Documents	In Custody	5 yr. imprisonment and/or \$250,000 fine; 3 yr. s/r; \$100 s/a
Hart, Kenneth Elbert	28	Tucson	18:1001 False, Fictitious and Fraudulent Statements, Representations, Writings and Documents	In Custody	5 yr. imprisonment and/or \$250,000 fine; 3 yr. s/r; \$100 s/a
Johnson, Sheila Bernice	49	Goodyear	18:1001 - False Statement 18:641 Theft of Govt. Prop > \$1,000	In Custody	5 yrs and/or \$250,000; 10 yrs and/or \$250,000

LaRue, Jr., Stewart, T.	74	Phoenix	18:641 Theft of Govt. Prop > \$1,000	In Custody	10 yrs and/or \$250,000
Milton, Andre L.	40	Mesa	18:641 Theft of Govt. Prop.< \$1,000 or less 18:641 Theft of Govt. Prop > \$1,000 18:1001 - False Statement	In Custody	5 yrs and/or \$250,000; 1 yr and/or \$100,000; 10 yrs and/or \$250,000
Platt, April M.	22	Mesa	18:641 Theft of Govt. Prop. < \$1,000 or less 18:641 Theft of Govt. Prop > \$1,000 18:1001 - False Statement	In Custody	10 yrs and/or \$250,000; 5 yrs and/or \$250,000; 1 yr and/or \$100,000
Richards, Carolyn Ladeen	60	Tucson	18:1001(a)(2) & (3) False, Fictitious & Fraudulent Statements, Representations, Writings & Documents	In Custody	5 yr. imprisonment and/or \$250,000 fine; 3 yr. s/r; \$100 s/a

Information re: state charges is available from the Maricopa County Attorney's Office at 602-506-3170.

In September 2005, the Department of Justice created the Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force includes the Executive Office for United States Attorneys, the FBI, the U.S. Inspectors General community, the U.S. Secret Service, the U.S. Postal Inspection Service and others. Since 2005, the Katrina Fraud Task Force has charged 768 people with hurricane fraud-related crimes.

An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The investigation preceding the charges was conducted by the U.S. Department of Housing and Urban Development, Office of Inspector General; U.S. Department of Homeland Security, Office of Inspector General; U.S. Postal Inspection Service; and the Federal Bureau of Investigation with assistance by the U.S. Marshals Service. The federal prosecutions are being handled by Assistant U.S. Attorneys in both Phoenix and Tucson in the District of Arizona. State charges will be prosecuted by the Maricopa County Attorney's Office.

Anyone suspecting criminal activity involving disaster assistance programs can make an anonymous report by calling the toll-free Hurricane Relief Fraud Hotline, 1-866-720-5721, 24 hours a day, seven days a week, until further notice.

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